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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/942,983	08/30/2001	Yuri Galperin	EXP.046A	7664

20995 7590 09/11/2008  
KNOBBE MARTENS OLSON & BEAR LLP  
2040 MAIN STREET  
FOURTEENTH FLOOR  
IRVINE, CA 92614

EXAMINER
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CHENCINSKI, SIEGFRIED E

ART UNIT	PAPER NUMBER
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3691

NOTIFICATION DATE	DELIVERY MODE
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09/11/2008

ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

jcartee@kmob.com  
eOAPilot@kmob.com

<b>Office Action Summary</b>	<b>Application No.</b> 09/942,983	<b>Applicant(s)</b> GALPERIN ET AL.	
	<b>Examiner</b> SIEGFRIED E. CHENCINSKI	<b>Art Unit</b> 3691	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 13 August 2008.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 157 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 157 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                     | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

## DETAILED ACTION

### ***Continued Examination Under 37 CFR 1.114***

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on August 13, 2008 has been entered.

### ***Double Patenting***

2. The double patenting rejection has been withdrawn in view of the terminal disclaimer.

### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. **Claim 157 is rejected under 35 U.S.C. 101** because the claimed invention is not supported by either a concrete asserted utility or a well established utility. Neither the claimed limitations nor the specification contain information which would lead a single ordinary practitioner or a plurality of practitioners to independently implement the claimed invention or to be able to independently develop the same or repeatable results. Further, the specification does not contain sufficient information for an ordinary practitioner to even use the invention without having to invent various details needed to implement the invention. Neither the summary of Invention section nor the Detailed Description section contain sufficient details for an ordinary practitioner to successfully implement the invention without adding to the invention through undue experimentation.

For example, the variables of applicant's data, loan parameter data and econometric parameters to put into the prepayment score algorithms and the econometric parameters for the econometric model and the analytical prepayment model on pp. 14-15 are not defined. Similarly undefined and possibly related are the "various rate scenarios, and subsequent economic scenarios model fitting processes" and related algorithms (p. 16, [52], ll. 15-16).

**4. Claim 157 is rejected under 35 U.S.C. 101** because the claimed invention is directed to **non-statutory subject matter**.

Claim 157 recites a process comprising the steps collecting information, transmitting information, receiving information and determining an action. Based on Supreme Court precedent, a proper process must be tied to another statutory class or transform underlying subject matter to a different state or thing (*Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780,787-88 (1876)). Since neither of these requirements is met by the claim, the method is not considered a patent eligible process under 35 U.S.C. 101. To qualify as a statutory process, the claim should positively recite the other statutory class to which it is tied, for example by identifying the apparatus that accomplished the method steps or positively reciting the subject matter that is being transformed, for example by identifying the material that is being changed to a different state.

#### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

**5. Claim 157 is also rejected under 35 U.S.C. 112, first paragraph.** Specifically, since the claimed invention is not supported by either a concrete asserted utility or a

well established utility for the reasons set forth above, one skilled in the art clearly would not know how to use the claimed invention.

### ***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

**6. Claim 157 is rejected under 35 U.S.C. 102(e)** as being anticipated by Galperin et al. (US Patent 6,185,543 B1, hereafter Galperin)

The applied reference has a common assignee with the instant application. Based upon the earlier effective U.S. filing date of the reference, it constitutes prior art under 35 U.S.C. 102(e). This rejection under 35 U.S.C. 102(e) might be overcome either by a showing under 37 CFR 1.132 that any invention disclosed but not claimed in the reference was derived from the inventor of this application and is thus not the invention “by another,” or by an appropriate showing under 37 CFR 1.131.

**Re. Claim 157**, Galperin anticipates a method of using a loan prepayment score calculation to determine whether to extend a home equity line of credit to a loan applicant, the method comprising:

- collecting information about a home equity line of credit for which a loan applicant is applying; collecting information about the loan applicant; transmitting the home equity line of credit information and the loan applicant information; (Fig. 1, 10, 12 – “Obtaining Loan Application”, Electronically Parse Information”; Fig. 2, 20, 22, 24, 28, 30, 34, 36, 52, 54, 56, 58; home equity line of credit);
- receiving a calculated loan prepayment score that is a function of time and prepayment propensity, (wherein the loan prepayment score indicates a predicted propensity of the loan applicant to prepay the home equity line of credit

- this is nonfunctional descriptive language which has no patentable weight since it merely describes the obvious about this step which deals with prepayment propensity already i.e. it fails to change the limitation) (Abstract, I. 4-11; Fig. 2, 26, 32, 38, 60, 46, 48, 50; 62-66, );
- determining, based at least in part on the loan prepayment score, whether to extend a home equity line of credit to the loan applicant (Abstract, II. 9-10, 9; Fig's 2, 3; Col. 3, II. 24-27. The sentence "Using this consumer scoring technique, a lending institution can seek to contact or contract with those consumers who display a low propensity to prepay" means that the lender is able to determine, "based at least in part on the loan prepayment score, whether to extend a home equity line of credit to the loan applicant").

### ***Response to Arguments***

7. Applicant's arguments filed august 13, 2008 have been fully considered but they are not persuasive.

A. Reference is made above to the withdrawal of the double patenting rejection.

B. Applicants' traversal of the art rejection under 35 USC 102(e) because the Galperin patent reference is not prior art is invalid because the Galperin reference is "by another" (MPEP 2136.04). Further, per MPEP 706.02(f)(2), the examiner is required to reject a claim when the application and the anticipation reference have different inventive entities. This same MPEP section refers applicants to MPEP 706.02(b) for ways to overcome such a 102(e) rejection. MPEP 706.02(b) presents six options for overcoming such a rejection, one of which is by showing that the reference is not by "another". Applicants' petitions to show that the reference is not by "another" have thus far been denied. Therefore, the status as of this writing is that the Galperin patent reference is by "another", thus validating the 102(e) rejection as anticipated by Galperin.

### ***Conclusion***

8. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Siegfried Chencinski whose telephone number is (571)272-6792. The Examiner can normally be reached Monday through Friday, 9am to 6pm.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Alexander Kalinowski, can be reached on (571) 272-6771.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Any response to this action should be mailed to:

***Commissioner of Patents and Trademarks, Washington D.C. 20231***

or Faxed to (571)273-8300 [Official communications; including After Final communications labeled "Box AF"]

or Faxed to (571) 273-6792 [Informal/Draft communications, labeled "PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to the address found on the above USPTO web site in Alexandria, VA.

SEC  
September 3, 2008

/Narayanswamy Subramanian/  
Primary Examiner, Art Unit 3691